



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

September 3, 1999

**VIA FACSIMILE & FIRST-CLASS MAIL**

E. Mark Braden, Esq.  
Baker & Hostetler  
1050 Connecticut Ave., N.W., Suite 1100  
Washington, D.C. 20036-5304

RE: MUR 4885  
Gary Jacobs  
Laredo National Bank

Dear Mr. Braden:

We appreciate your clients' prompt response to the Commission's interrogatories and document subpoena in this matter and the efforts made to provide a comprehensive response. As we discussed in our phone conversation last week, this letter seeks responses to several questions raised by the documents your client provided and the affidavits you submitted from Mr. Jacobs and employees of Laredo National Bank ("the Bank") involved in the making of the April 1995 contribution to the RNC and the Bank's reimbursement thereof.

As an initial matter, we note that the copy you provided of the March 27, 1995 letter from Haley Barbour to Gary Jacobs (MURLNB 00012) cuts off the second sentence of the legend or disclaimer language you refer to on page 4 of your May 17 response to the factual and legal analysis. We would appreciate it if you could provide a copy containing the full disclaimer.

Your response to the factual and legal analysis states that, "as evidenced from the very detailed examination by the Comptroller of Currency, Laredo National Bank has never reimbursed Mr. Jacobs for any political contributions" other than the April 5, 1995 reimbursement. Mr. Jacobs' affidavit references past political contributions in Paragraph 12, but makes no statements regarding reimbursements of such contributions. If possible, it would be helpful to our investigation if Mr. Jacobs could provide a supplemental affidavit stating that he has never been reimbursed for past political contributions.

Paragraph 2 of the Jacobs' affidavit states that Mr. Jacobs told Ms. Mosbacher that he believed that banks were treated differently than other corporations and could not make contributions to political events. Please explain the basis for Mr. Jacobs' belief.

Paragraph 2 also references receipt of a federal express package of materials from Ms. Mosbacher. Please clarify which of the documents produced were contained in that package. From our review of Ms. Mosbacher's December 20, 1994 memo, it appears that the package was comprised of Document Nos. MURLNB 000086-90, 36-39 and 45-83. Were Document Nos. MURLNB 000031-34 (December 13, 1994 Hess memo), 000035 (excerpt from FEC Campaign Guide), 000040 (Summary of Individual 1994 Contribution Limits) and 000041-44 (FEC "Foreign Nationals" brochure) also part of that package? If not, please explain how these documents came to be in the possession of your clients.

The Post-it note attached to the April 13, 1995 "thank you letter" from Haley Barbour (MURLNB 000085 and 000009) appears to state, in pertinent part, "We should have a legal opinion in a file from Cleary or Abe" (or Asa)? If there is such a legal opinion, please explain what this opinion was, when it was written, and produce a copy of it.

The Laredo National Bank reimbursement check copy produced (MURLNB 14-15) indicates it was deposited into a special account at the Bank belonging to Mr. Jacobs on April 5, 1995. Please explain when Mr. Jacobs first became aware of this reimbursement. Are all of Mr. Jacobs' expense checks from the Bank deposited into this account? How often does he receive and review the statements for the bank account into which this check was deposited? Please provide copies of the bank statements for the month of the deposit and the preceding and succeeding months.

The Disbursement Request form seeking reimbursement for the \$15,000 contribution to the Republican Inaugural Gala (MURLNB 00002) contains a statement on the bottom of the form that invoices receipts, etc. should be taped to the back of the form. Please identify each document submitted with this form and produce copies of any such documents not already produced and confirm that the signature on the "Officer Approval" line is Ms. Benavides'. Please also explain why Ms. Benavides typed "(per Mr. Jacobs insturctions)" (sic) on the Disbursement Request and have her supplement her affidavit, if appropriate.

In Paragraph 11 of his affidavit, Mr. Jacobs states that he does not remember when he put the notation "LNB expense" on the March 27, 1995 Barbour letter but speculates that he could have written it after he initially returned to his office from Arizona or after reviewing the "per Javier Trevino" notation. However, a comparison of Document Numbers MURLNB 000011 and 000012 indicates that the "LNB expense" notation with Mr. Jacobs' initials was placed on the letter prior to the 4/4/95 "per Javier Trevino" notation written by Carlos Gutierrez. Does this refresh Mr. Jacobs' recollection about when and why he wrote "LNB expense" on the March 27 Barbour letter? If so, please supplement Mr. Jacobs' affidavit accordingly.


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Carlos Gutierrez's affidavit states that he works under the direction of both Toribio Saucedo and Javier Trevino. Please clarify whether Mr. Saucedo was consulted by anyone regarding the Bank's April 4 reimbursement of Mr. Jacobs' \$15,000 contribution. Please also explain why the reimbursement request was "the type of transaction" that is normally reviewed and approved by Messrs. Saucedo or Trevino. See page 3 of May 17, 1999 response to factual and legal analysis.

Please clarify whether the handwriting on the top of the March 29, 1997 Tom Purcell Liddy letter to Gary Jacobs is contained on a Post-it note and identify whose handwriting it is.

Please provide the requested information and documents as soon as possible, but in any event, no later than September 17, 1995. We appreciate your and your clients' cooperation in this matter. If you have any questions, please contact me at (202) 694-1650. If I am unavailable, you may also contact Karen White at the same number.

Sincerely,

A handwritten signature in cursive script that reads "Dawn M. Odrowski".

Dawn M. Odrowski  
Attorney